



FOOD AND NUTRITION SERVICES

RECORDS 4: PAID LUNCH EQUITY, NON- PROGRAM & UPDATES

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Department of Elementary and Secondary Education



Paid Lunch Equity Tool

Paid Lunch Equity (PLE)

How?

- 2016-17 lunch increase is calculated using 2% (inflation) plus 2.97% (consumer price index), for a total of 4.97%.
 - last year's total was 4.19%

Why?

- To ensure that sufficient funds are provided to the food service account for paid lunches

When?

- Paid Lunch Equity (PLE) is an **annual** calculation



PLE

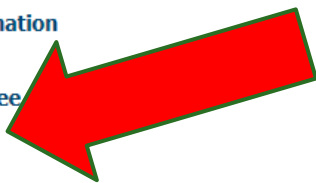
DESE Food and Nutrition Service Website:

<https://dese.mo.gov/financial-admin-services/food-nutrition-services/paid-lunch-equity>

Guidance & Resources

Home » Financial & Admin. Services » Food & Nutrition Services

- Farm to School
- Food Allergy Information
- Forms
- Healthy, Hunger-Free
- Paid Lunch Equity
- Paid Lunch Prices



- **SP-23-2015** - Release of the FNS-828 Paid Lunch Price Data for School Years 2012-2013 and 2013-2014 announces the publication of the paid lunch prices for SFAs participating in the National School Lunch Program for School Years 2012-2013 and 2013-2014.

SP-23-2015a : Paid Lunch Prices SY 2012-2013

SP-23-2015a2 : Paid Lunch Prices SY 2013-2014

- **Non Program Food Revenue Tool**
- **SP-20-2016** - Nonprofit School Food Service Account Nonprogram Food Revenue Requirements
- **Payment Transmittal Change Information**

Financial & Admin. Services

- News and Updates
- Accounting & Procurement
- Budget
- Career Education Finance
- ESEA/NCLB Finance
- Food & Nutrition Services
 - News and Updates
 - Food Safety/HACCP
 - Food Service Management
 - **Guidance & Resources**
 - Handbooks
 - HealthierUS School Challenge
 - Smart Snacks in Schools
 - Statistics
 - USDA Foods
 - USDA Memos

Reimbursement Rates

2015-16

- Section 205 of the HHFKA requires LEAs to provide the same level of support for lunches served to paid students as they are for lunches served to students eligible for free lunches

NATIONAL SCHOOL LUNCH PROGRAM ¹		LESS THAN 60%	LESS THAN 60% + 6 cents ²	60% OR MORE	60% or MORE + 6 cents ²	MAXIMUM RATE	MAXIMUM RATE + 6 cents ²
CONTIGUOUS STATES	PAID	0.29	0.35	0.31	0.37	0.37	0.43
	REDUCED PRICE	2.67	2.73	2.69	2.75	2.84	2.90
	FREE	3.07	3.13	3.09	3.15	3.24	3.30

- Compare the average price for paid lunches to the difference between free and paid lunches
 - Federal reimbursement for free (\$3.13) and paid (\$0.35) meals
 - $\$3.13 - \$0.35 = \$2.78$



PLE

- Use the USDA Paid Lunch Equity Tool
(Fill in the “peach” colored areas)
 - ▣ Average Paid Lunch Price across the LEA
 - ▣ New required average across the LEA
 - ▣ Non-Federal source contribution amount
 - ▣ Splitting the requirement between a price increase and non-federal source contributions



Paid Lunch Equity Tool

- If your school charges less than \$2.78 for paid lunches:
 - must adjust weighted average lunch price and/or
 - add non-Federal funds to the non-profit school food service account
 - 10 cent cap
 - Tool always rounds down to 5 or 10 cents
 - Any extra amount, positive or negative, will be carried forward each year



Paid Lunch Equity Tool

Step 1: What is my Unrounded Price Requirement?

- When calculating the weighted average lunch price increase across the LEA for SY 2016-17 the unrounded adjusted average paid lunch price requirement from SY 2015-16 must be used
 - Refer to SY 2015-16 PLE tool
 - The PLE calculator will help calculate the unrounded price requirement if the SY 2015-16 unrounded adjusted average paid lunch price isn't available
 - SY 2010-11 Weighted average price



To complete Step 1- Refer to your SFA's completed SY 2015-16 PLE Tool

Step 1

Enter the SY 2015-16 Unrounded Price Requirement in the box below	SY 2016-17 Weighted Average Price Requirement
<i>This can be found in Section 1: Box A of the SY 2015-2016</i>	Requirement price to the nearest cent
\$ 1.87	\$ 1.96
<i>Note: Above prices are based on adjusting SY 2015-2016 price requirement by the 2% rate increase plus the Consumer Price Index (2.97%)</i>	

2016-17 lunch increase is calculated using 2% (inflation) plus 2.97% (consumer price index), for a total of 4.97%

Proceed to tab "SY 2016-17 Price Calculator"



If you do not know your SY 2015-16 Unrounded Price Requirement, enter the SY 2010-11 Weighted Average Price

Complete if you do NOT know your SY 2015-2016 Unrounded Price Requirement

Annual Unrounded Requirement Finder

Enter the **SY 2010-11** Weighted Average Price below

**** The weighted average price for SY 2010-11 is the weighted average of all paid**

SY 2010-11 Weighted Average Price	Unrounded Price Requirements	
	Price 1: SY 2014-2015 Requirement price to the nearest cent	Price 2: SY 2015-2016 Requirement price to the nearest cent
\$ 1.53	\$ 1.79	\$ 1.87



SY 2016-17 Price Adjustment Calculator

[Go to Instructions](#)

SY 2016-17 Weighted Average Price Requirement

Requirement price to the nearest cent

Optional price requirement
ROUNDED DOWN to nearest 5 cent

\$ 1.96 \$ 1.95

Note: Above prices are based on adjusting SY 2015-2016 price requirement by the 2% rate increase plus the Consumer Price Index (2.97%)

These prices are determined from the Unrounded Requirement Finder tab and are unique to your district. These prices may not always match. The second price is always rounded down to the nearest \$0.05.



SY 2015-16 Weighted Average Price Calculator

Enter the paid prices and number of paid lunches sold at each price for October 2015.

Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2015-16 Weighted Average Price
1,536	\$ 1.65	\$ 2,534.40	
1,678	\$ 1.80	\$ 3,020.40	
		-	
		-	
		-	
		-	
		-	
		-	
		-	
		-	
3,214		\$ 5,554.80	\$ 1.73

Note: SY 2015-16 Weighted Average Price equal to or above \$2.78 are compliant for SY 2016-17. \$2.78 is the difference between the Free and Paid reimbursement rates for SY 2015-16.

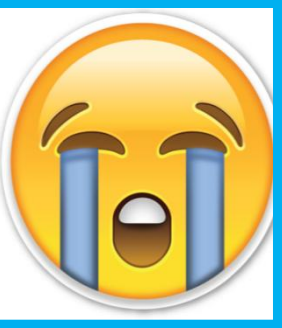
Enter the October 2015 number of paid lunches served and claimed and the corresponding price(s) charged. Don't enter non-reimbursable or adult meals.



The total price increase for SY 2016-17 will be calculated and entered into the Total Price Increase for SY 2016-17 box.

The Required price increase with 10 cent cap shows the required weighted average price the district must attain in SY 2016-17 to be in compliance with the PLE. This is calculated by adding the October 2015 Weighted Average Price plus the figure from the Total Price Increase for SY 2016-17 box up to \$0.10.

Total Price Increase for SY 2016-17	
\$	0.22
Required price increase for SY 2016-17 (with 10 cent cap)	
\$	1.83
Remaining increase carried forward to SY 2017-18	
\$	0.12
Remaining credit carried forward to SY 2017-18	
\$	-





Step 3 (Optional)

If your school has different prices for separate grade groupings, you will need to complete Step 3 (Optional), to determine how to apply the increase to the various grade groupings.

Pricing Estimation Calculator				
Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.				
	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Weighted Average Price
1.	1,536	\$ 1.75	\$ 2,688.00	
2.	1,678	\$ 1.90	\$ 3,188.20	
3.			\$ -	
4.			\$ -	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	3,214		\$ 5,876.20	\$ 1.83

Example: Elementary K-5 charges \$1.75 and the Middle/High charges \$1.90 to be compliant with the required weighted average price of \$1.83



This report assists in tracking the pricing requirements and amounts carried forward for SY 2016-2017. Information on this report is used to determine the SY 2016-2017 weighted average price requirements.

Please print and keep in records.

NOTE: If information is changed in the tool, the report contents will change.

Section 1: SY2016-2017 Weighted Average Paid Price Requirements

A. SY 2016-17 Weighted Average Price Requirement*: <small>*This price will be entered into the SY 2017-2018 tool to determine the SY2017-2018 weighted average price requirements</small>	\$1.96
B. Optional Price ROUNDED DOWN to nearest 5 cents:	\$1.95

Section 2: Amounts Carried Forward to SY 2017-2018

Select the SY 2016-2017 method used to ensure sufficient funds are provided for

PAID Lunches

Increase SY2016-2017 average weighted price
▼

Increase SY2016-2017 average weighted price

Contribute Non-Federal sources for SY2016-2017

Both

At or above equity

Exemption Granted

Average Weighted Price Adjustments

A. Remaining increase carried forward to SY 2017-18:	\$0.12
B. Remaining credit carried forward to SY 2017-18:	\$0.00
Enter in the new average weighted price for SY 2016-17:	\$1.83

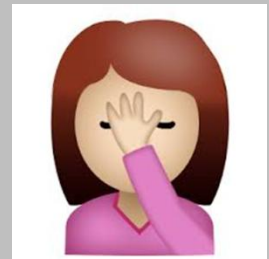
SY2016-2017 Weighted Average Pricing Report

If you have decided to increase the price of the paid lunch to meet the SY 2016-17 Weighted Average Price Requirement, you will need to click the drop down box arrow and make the selection. Enter the weighted average price from Step 3 (Optional) Pricing Estimation Calculator.

Congratulations!
You have completed the
SY 2016-17 PLE tool!!



Non Federal Funding Sources



SY 16-17 Price Calculator

SY 16-17 NonFederal Calculator

SY 16-17 Split Calculator

SY 2016-2017 REPORT

In lieu of raising paid lunch prices

Contribute non-Federal sources to the nonprofit school food service account. Must calculate the appropriate amount to contribute (Still have to complete the tool).

Total number of paid reimbursable lunches claimed for the previous school year

Multiple by the difference between the SY 2015-2016 weighted average paid lunch price requirement and the SY 2015-16 weighted average paid lunch price

SY 2016-17 Weighted Average Price Requirement		
Requirement price to the nearest cent	Optional price ROUNDED DOWN to nearest 5 cent	
\$ 1.96	\$ 1.95	
<small>Note: Above prices are based on adjusting SY 2015-2016 price requirement by the 2% rate increase plus the Consumer Price Index (2.97%)</small>		
Click here to determine SY2015-2016 weighted average price		

Non-Federal Source Contribution Calculator for SY 2016-17		
<small>Enter the total paid lunch count (for all prices). Annual Non-Federal Source funds for SY2016-2017 are estimated based on the ACTUAL lunch count entered below</small>		
Enter annual # of Paid Lunches for SY2014-15**	TOTAL Price Increase for SY 2016-17	TOTAL SY 2016-17 Annual Non-Federal Source Contribution
23,387	\$ 0.22	\$ 5,145.14
<small>Note: Total price increase for SY 2016-2017 is based on the difference between the weighted average price entered above and SY 2016-2017 rounded DOWN requirement.</small>		



Enter the total amount of non-Federal source contributions from the SY 2011-12, SY 2012-13, SY 2013-14, SY 2014-15, and SY 2015-16

Your required non-federal funds contribution for SY 2016-17 will appear

Enter total amount of Non-Federal Source Funds Contributed for SY 2011-12 through SY 2015-16	Annual Non-Federal Source Contribution Requirement for SY 2016-17
\$ 225.00	\$ 286.70
Price Increase Requirement for SY 2016-17 (with 10 cent cap)	SY 2016-17 Annual Non-Federal Source Contribution (with 10 cent cap)
\$ 0.05	\$ 286.70

This example LEA must contribute \$286.70 for the SY 2015-16 if they do not want to raise their paid lunch price(s).

Remaining Annual Non-Federal Source Contribution carried forward to SY 2017-18
\$ -
Remaining Credit carried forward to SY 2017-18
\$ -

The two green boxes may show a shortfall or credit that will be carried forward into the following school year. As long as the 2016-17 contribution is met, the LEA is in compliance with PLE



SY 2016-17 Weighted Average Price Requirement			
Requirement price to the nearest cent		Optional price requirement ROUNDED DOWN to nearest 5 cent	
\$	1.96	\$	1.95
Note: Above prices are based on adjusting SY 2015-2016 price requirement by the 2% rate increase plus the Consumer Price Index (2.97%)			

Enter the October 2015 number of paid lunches claimed and the corresponding prices charged.

SY 2015-16 Weighted Average Price Calculator			
Enter the paid prices and number of paid lunches sold at each price for October 2015.			
Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	SY 2015-16 Weighted Average Price
1,536	\$ 1.65	\$ 2,534.40	
1,678	\$ 1.80	\$ 3,020.40	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
3,214		\$ 5,554.80	\$ 1.73
Note: SY 2015-16 Weighted Average Price equal to or above \$2.78 are compliant for SY 2016-17. \$2.78 is the difference between the Free and Paid reimbursement rates for SY 2015-16.			

The Required price increase for SY 2016-17 (with 10 cent cap) box shows the required weighted average price that the district must attain in SY 2016-17

Total Price Increase for SY 2016-17	
\$	0.22
Required price increase for SY 2016-17 (with 10 cent cap)	
\$	1.83



Since you are choosing to split the required price increase between raising paid lunch prices and contributing non-federal funds, you will need to determine your new weighted price increase.

New Price Increase

Enter the new price increase for SY2016-2017 to assist in meeting the requirement. See optional Pricing Estimation Calculator below if needed.

\$ 1.80

This can be calculated using *Step 3 (Optional)* on the bottom of the page.

(Optional)

Pricing Estimation Calculator

Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.

	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Weighted Average Price
1.			\$ -	
2.			\$ -	
3.			\$ -	
4.			\$ -	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	-		\$ -	\$ -

Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new average price. Users should not modify the tool's current functionality.



“SY 2016-17 Split Calculator” Tab

Enter the number of October 2015 paid lunches and corresponding prices. Alter the prices at each level to your district's desired paid lunch prices for SY 16-17. Your new weighted average price will show in the circled box.

(Optional)				
Pricing Estimation Calculator				
Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.				
	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Weighted Average Price
1.	1,536	\$ 1.70	\$ 2,611.20	
2.	1,678	\$ 1.85	\$ 3,104.30	
3.			\$ -	
4.			\$ -	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	3,214		\$ 5,715.50	\$ 1.78
Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new				

“SY 2016-17 Split Calculator” Tab

- Enter your new weighted average price

- Enter the annual number of paid lunches for SY 2014-15

New Price Increase	
<i>Enter the new price increase for SY2016-2017 to assist in meeting the requirement. See optional Pricing Estimation Calculator below if needed.</i>	

\$ 1.78

Non-Federal Source Contribution Calculator for SY 2016-17

Enter the total paid lunch count (for all prices).
** Annual Non-Federal Source funds for SY2016-2017 are estimated based on the ACTUAL lunch count entered below

Enter annual # of Paid Lunches for SY 2014-15**	Total remaining required Price Increase	TOTAL SY 2016-17 Annual Non-Federal Source Contribution
23,330	\$ 0.17	\$ 3,966.10

Note: Total price increase for SY 2016-2017 is based on the difference between the weighted average price entered above and SY 2016-2017 rounded DOWN requirement.



Split Calculator

- Enter the total non-federal source contributions from SY 2011-12, 2012-13, 2013-14, 2014-15, and 2015-16

Enter total amount of Non-Federal Source Funds Contributed for SY 2011-12 through SY 2015-16	Annual Non-Federal Source Contribution Requirement for SY 2016-17
\$ 450.00	\$ 903.69

Price Increase Requirement for SY 2016-17 (with 10 cent cap)	SY 2016-17 Annual Non-Federal Source Contribution (with 10 cent cap)
\$ 0.03	\$ 903.69

This example LEA must contribute \$903.69 for the SY 2015-16

- Your required non-federal funds contribution for SY 2016-17 will appear

Remaining Annual Non-Federal Source Contribution Requirement carried forward to SY 2017-18
\$ -

Remaining Credit carried forward to SY 2017-18
\$ -

- The two green boxes may show a shortfall or credit that will be carried forward into the following school year. As long as the 2016-17 contribution is met, the LEA is in compliance with Paid Lunch Equity.



Non-Federal Funding Sources

- For SY 2016-17, LEAs may continue to count as a Non-Federal source: SP 09-2016
 - Any funds provided by organizations for any paid meal
 - Any proportion attributable to paid meals from direct payments made from school district funds to support lunch service (i.e. a general funds balance transfer)
 - Make an adjustment to balance on R and E report
 - Excess non-Federal contribution from SY 2015-16 may be subtracted from the total SY 2016-17 contribution requirement
 - Complete the non-Federal Calculator Tab in the PLE tool



Non-Federal Funding Sources

- Some examples of **unallowable** non-Federal funding for PLE are
 - Money (cash) from non program foods
 - A la Carte items
 - Catering
 - Adult meals
 - Vending, school store, etc...
 - Once a year State payments
 - In-kind contributions
 - Charging for janitorial services, café monitors, office supplies, utilities that were provided without cost prior to July 1, 2011



PLE Waiver

- SP-19-2015
- LEAs may request an exemption from the PLE requirements
 - Demonstrate that the required increase would cause the LEA to exceed the 3-month operating balance limit.
 - Must request the exemption annually



All schools with an excess balance must report how they are spending the balance or payment will be held.



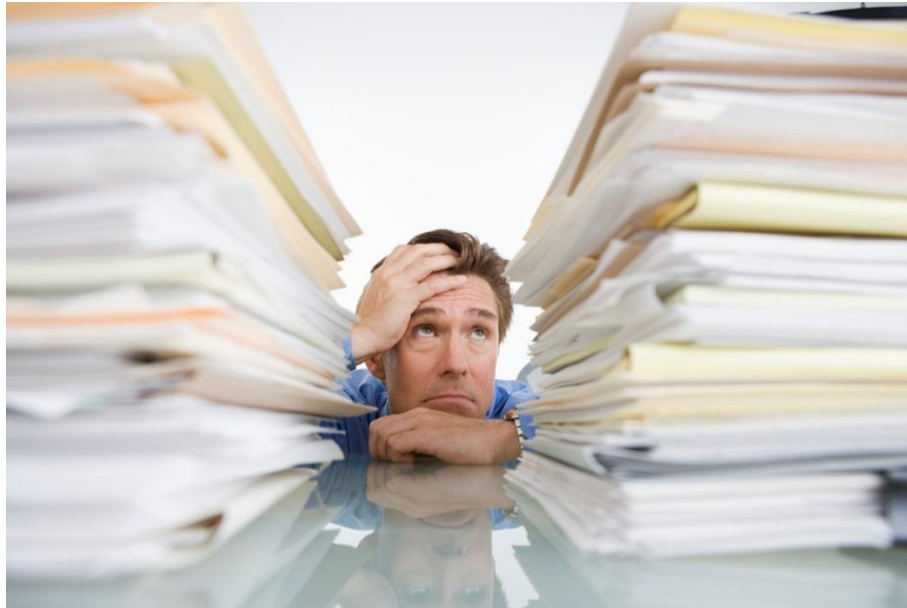
PLE Waiver

- Schools can submit a letter to the State Agency providing justification of all factors specified in SP 19-2015:
 - Meal Standards
 - Competitive Foods
 - Administrative Reviews (if applicable)
 - Meal Service and Participation
 - Resource Management (PLE requirements and non-program food revenue requirements)
 - Non-program food revenue (submit most recent non-program food revenue tool)
 - PLE requirement
 - SY 2015-16 Average Weighted Paid Lunch Price
 - SY 2016-17 Required Price Increase (submit most recent PLE tool)
 - How did you meet the PLE requirement each year from SY 2011-12 to SY 2015-16
 - Professional Support
 - Cafeteria and Kitchen Equipment
 - Free/Reduced Price Eligibility Determinations



Paid Lunch Equity Tool

- Each year print a copy of the PLE Tool and keep in your records





Non-program Foods Revenue

What is Nonprogram Food?

- Food (including beverages) sold in a participating school other than reimbursable meal;

AND

- Purchased using funds from the nonprofit school food service account



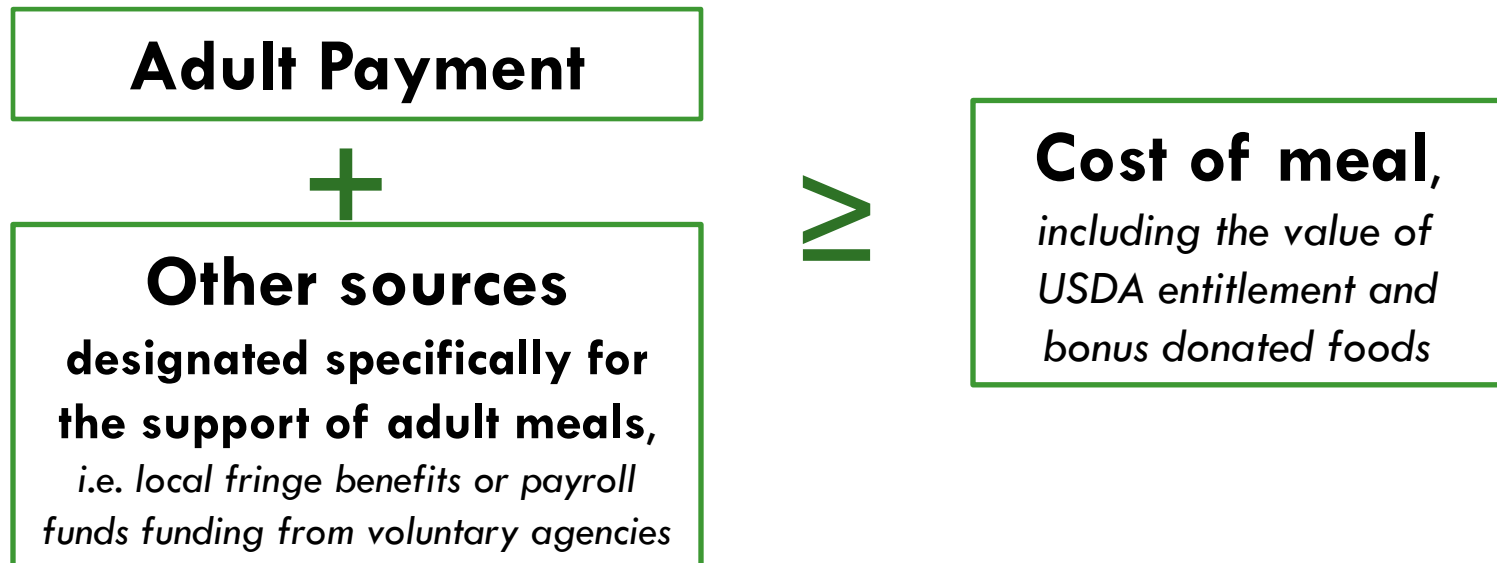
Types of Nonprogram Food Sales

- Adult Meals
- Extra milk
- Other food items outside of the reimbursable meal
 - à la carte
 - Vending machines
 - School Stores
 - Fundraisers
 - Catering
 - Vended Meals



Pricing Adult Meals - FNS 782-5

- LEAs must ensure that the Federal reimbursements, children's payments, and other nondesignated food service revenues do not subsidize program meals served to adults.
- Adult Meals Pricing



Pricing Adult Meals- FNS 782-5

Option 1: Pricing School

$$\begin{array}{r} \text{+ Student Full Price (weighted average)} \\ \text{+ **Plus** Donated Food} \\ \hline = \text{Adult Meal Price} \end{array}$$

Option 2: Non-pricing School

$$\begin{array}{r} \text{+ Free Reimbursement} \\ \text{+ **Plus** Donated Food} \\ \hline = \text{Adult Meal Price} \end{array}$$

Option 3: Actual Per Lunch Cost

$$\begin{array}{r} \text{+ Actual Per Lunch Cost} \\ \text{+ **Plus** Donated Food} \\ \hline = \text{Adult Meal Price} \end{array}$$

Nonprogram Food Revenue Tool

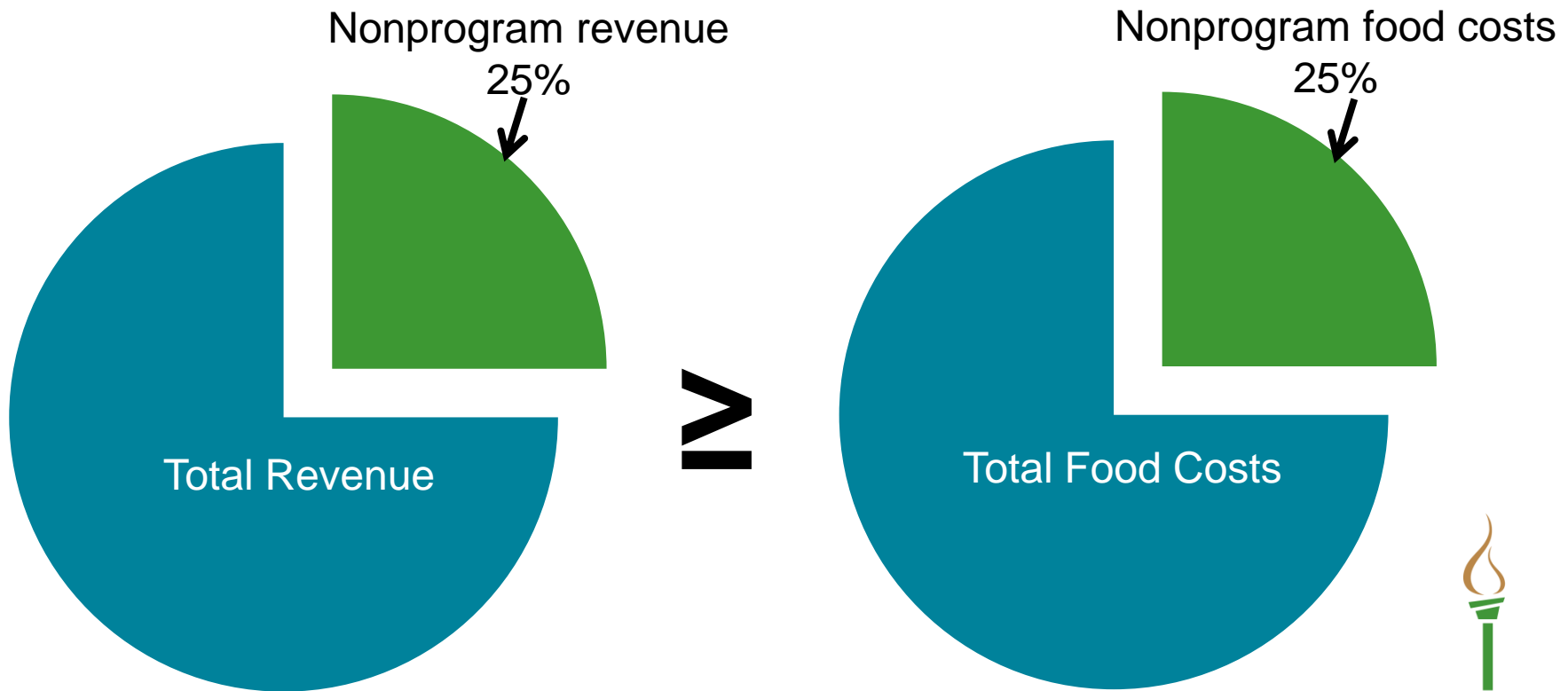
- ❑ Must be completed annually
- ❑ Demonstrates compliance with Healthy Hunger-Free Kids Act Section 206
 - SP39-2011; SP20-2016
- ❑ Ensures that revenue from the sale of non-program foods generates at least the same proportion of revenue as they contribute to the LEAs food costs

Ensures that LEAs are not using program money to subsidize nonprogram food sales



Nonprogram Food Revenue Requirement

$$\frac{\text{Nonprogram food revenue}}{\text{Total program and nonprogram revenue}} \geq \frac{\text{Total nonprogram food costs}}{\text{Total program and nonprogram food costs}}$$



Data Needed to Complete Tool

1. Food Cost for Nonprogram Food

- ▣ A la carte
- ▣ Adult meals
- ▣ Extra milk
- ▣ Vending machines, school stores (if through Food Service)
- ▣ Catering, vended meals, purchasing for other entities
- ▣ Any other nonprogram food purchased with nonprofit food service account funds



Data Needed to Complete Tool

2. Food Cost of Program Food

- ▣ Reimbursable Meal - Breakfast
- ▣ Reimbursable Meal - Lunch
- ▣ Afterschool Snack Program
- ▣ Special Milk Program



Data Needed to Complete Tool

3. Total Nonprogram Revenue

- Revenue from Nonprogram foods
 - A la carte
 - Adult meals
 - Extra milk
 - Vending machines, school stores
 - Catering, Vended Meals, Purchasing for other Entities
 - Any other nonprogram food purchased with nonprofit food service account funds
- Must include fund transfers to cover cost of adult meals if a meal is provided to teachers at no charge



Data Needed to Complete Tool

4. Total Revenue from All Food

▣ Nonprogram

- A la carte, Adult meals, Extra Milk, Vending, School Stores, *Catering, Vended Meals, Purchasing for other Entities*

▣ Program

- Reimbursable Meal – Breakfast, Reimbursable Meal – Lunch, Afterschool Snack Program, Special Milk Program
- Claim Reimbursement



Nonprogram Food Revenue Tool

Nonprogram Revenue Calculator		
Enter the cost for reimbursable meal, cost of nonprogram food and total revenue		
<u>Cost for Reimbursable Meal Food</u>	\$ 450,000	$\frac{\$50,000}{\$500,000}$
<u>Cost of Nonprogram Food</u>	\$ 50,000	
<u>Total Food Costs</u>	\$ 500,000	$\$1,000,000 \times 10\%$
<u>Total Nonprogram Food Revenue</u>	\$ 90,000	
<u>Total Revenue</u>	\$ 1,000,000	$\$100,000 - \$90,000$
Minimum portion of revenue from nonprogram funds	10%	$\$100,000 - \$90,000$
Minimum Revenue Required from the Sale of Nonprogram Foods	\$ 100,000	
Additional Revenue Needed to Comply	\$ 10,000	

Nonprogram Revenue Calculator		
Enter the cost for reimbursable meal, cost of nonprogram food and total revenue		
<u>Cost for Reimbursable Meal Food</u>	\$	450,000
<u>Cost of Nonprogram Food</u>	\$	50,000
<u>Total Food Costs</u>	\$	500,000
<u>Total Nonprogram Food Revenue</u>	\$	90,000
<u>Total Revenue</u>	\$	1,000,000
Minimum portion of revenue from nonprogram funds		10%
Minimum Revenue Required from the Sale of Nonprogram Foods	\$	100,000
Additional Revenue Needed to Comply	\$	10,000

If a value appears in the “Additional Revenue Needed to Comply” Line, action is required

The price of nonprogram foods must be increased OR provide non-federal funds in the amount of the revenue shortfall



Nonprogram Revenue Requirement

EXAMPLE:

Total Food Costs:	\$ 500,000
Nonprogram Food	50,000
Program Food	450,000
Total Revenue:	\$ 1,000,000

$$\frac{\$50,000 \text{ Nonprogram Food}}{\$500,000 \text{ Total Food}} = 10\% \text{ minimum}$$

$$10\% \times \$1,000,000 = \$100,000 \text{ Revenue Required}$$

Since the nonprogram food costs are **10 percent** of the total food costs (\$50,000 of \$500,000), **the revenue from the nonprogram foods must equal ten percent or more of the total program revenue: \$1,000,000 x 10 percent = \$100,000 (Nonprogram Food Revenue target).**



Additional Revenue to Comply?

Additional revenue required

Minimum revenue required

Subtract (-)

Total nonprogram revenue

\$100,000

-\$90,000

\$10,000

- For this example, the LEA must receive \$100,000 or more in revenue from the sale of nonprogram foods. To the extent that these revenues fall short of the revenue target, LEAs must take action to either increase á la carte prices or invest additional funds to the food service account from sources outside the food service account



Nonprogram Revenue Calculator		
Enter the cost for reimbursable meal, cost of nonprogram food and total revenue		
<u>Cost for Reimbursable Meal Food</u>	\$ 29,540	
<u>Cost of Nonprogram Food</u>	\$ 5,554	
<u>Total Food Costs</u>	\$ 35,095	
<u>Total Nonprogram Food Revenue</u>	\$ 3,965	
<u>Total Revenue</u>	\$ 24,092	
Minimum portion of revenue from nonprogram funds	16%	
Minimum Revenue Required from the Sale of Nonprogram Foods	\$ 3,813	
Additional Revenue Needed to Comply	\$ -	

If the
“Additional
Revenue
Needed to
Comply” Line
is blank, no
further
action is
required

This means the revenue ratio is equal to or greater than the food cost ratio



Reference Period

What dates are used to complete the tool?

- LEAs are allowed to select a reference period
 - Period of at least 5 consecutive operating days
 - 4 consecutive days for schools that only operate 4 days
 - Revenue and cost data from the same period
 - Strongly encouraged to use data from a longer period
 - Monthly, Annually, Biweekly
 - Selected days must represent typical food service operations
 - No holidays, summer school, vacations, or special circumstances



Option to include Catering, etc.

- Due to potential complexities, the following are **not required** to be included:
 - Catering
 - Vended Meals
 - Purchasing for other entities
- LEAs may choose to include these
 - MUST include BOTH the food costs and the revenues
- If not included, LEAs must be able to provide documentation demonstrating the recovery of full costs



Calculating Food Cost

The non-program food revenue tracker tool is built to calculate food cost for nonprogram items to generate the revenue and food cost ratio.

$$\begin{array}{c} \text{Food cost for nonprogram item \# 1} \\ \text{(cost per serving } X \text{ quantity sold as nonprogram food)} \\ + \\ \text{Food cost for nonprogram item \# 2} \\ \text{(cost per serving } X \text{ quantity sold as nonprogram food)} \\ + \\ \text{Food cost for nonprogram item \# 3} \\ \text{(cost per serving } X \text{ quantity sold as nonprogram food)} \\ \hline \text{Nonprogram food costs for the reference period} \end{array}$$

Example:

Food	Cost	Number Sold as Nonprogram Food
Frozen Yogurt Cup	\$0.50	20
Corn Chips	\$1.00	50
Extra Milk	\$0.30	100

Frozen Yogurt: $\$0.50 \times 20 = \10

Corn Chips: $\$1.00 \times 50 = \50

Extra Milks: $\$0.30 \times 100 = \30

Total Nonprogram Food Costs = \$90



Calculating Food Cost

□ Per Serving/Item Cost

$$\frac{\text{Case cost}}{\text{Number of servings/items per case}} = \text{cost per serving/item}$$

Example:

Item	Case Cost	Servings per Case	Case Weight	Serving Size
Whole Wheat Breadsticks	\$33.60	168	12 lbs	32 grams
Beef Crumbles	\$40.00		10.125 lbs	2.25 oz

Breadsticks:

- $\$33.60 \div 168 = \0.20 per serving

Beef Crumbles:

- Determine servings per case: $10.125 \text{ lbs} \times 16 \text{ oz per lb} = 162 \text{ oz per case}$
 $162 \text{ oz} \div 2.25 \text{ oz per serving} = 72 \text{ servings per case}$
- $\$40.00 \div 72 = \0.56 per serving



Calculating Food Cost - Recipes

Per serving cost for foods prepared from scratch

$$\frac{\text{Sum of major food costs in recipe}}{\text{Total Number of servings recipe yields}} = \text{Cost per serving of recipe}$$

- May use discretion when including spices and other ingredients that are added in minimal amounts to the recipe



Calculating Food Cost - Recipes

$$\frac{\text{Sum of major food costs in recipe}}{\text{Total Number of servings recipe yields}} = \text{Cost per serving of recipe}$$

Example:

CHICKEN STEW RECIPE		Yield: 25 Servings	
Ingredient	Weight/ Measure	Cost per oz.	Cost per recipe*
Vegetable Oil	1 oz	\$0.10	\$0.10
Onions	10 oz	\$0.02	\$0.20
Carrots	6 oz	\$0.05	\$0.30
Water	40.5 oz	\$0.00	\$0.00
Seasoning	1/2 tsp	\$3.00	
Garlic Powder	1 1/2 tsp	\$2.00	
Canned tomatoes	26 oz	\$0.10	\$2.60
Potatoes	12 oz	\$0.02	\$0.24
Diced Chicken	13 oz	\$0.20	\$2.60
Canned Beans	56 oz	\$0.05	\$2.80

1. Add Cost per Recipe
\$8.84

2. Divide cost by servings
\$8.84 ÷ 25 servings = \$0.35
per serving



*Cost per recipe = oz. ingredient x cost per oz.

Limited A La Carte - Option

- LEAs that offer a limited number of nonprogram food items (ex. only sell extra milk and adult meals) can base compliance on:
 - Recovering more than the per-serving food cost of the nonprogram food items
- Do not need to complete the tool
- LEA is still required to separate nonprogram cost/revenue from program cost/revenue





Program Updates

Topics to Discuss

- ❑ Nondiscrimination Statement
- ❑ Procurement
- ❑ Smart Snacks
 - 10% of the Daily Value (DV) of a nutrient of public health concern no longer qualifies snacks
- ❑ Whole grain-rich waiver extended
- ❑ Direct Certification
 - Foster added to MOSIS download
 - ZIP code list updates
- ❑ Serving with Success Modules available



Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.



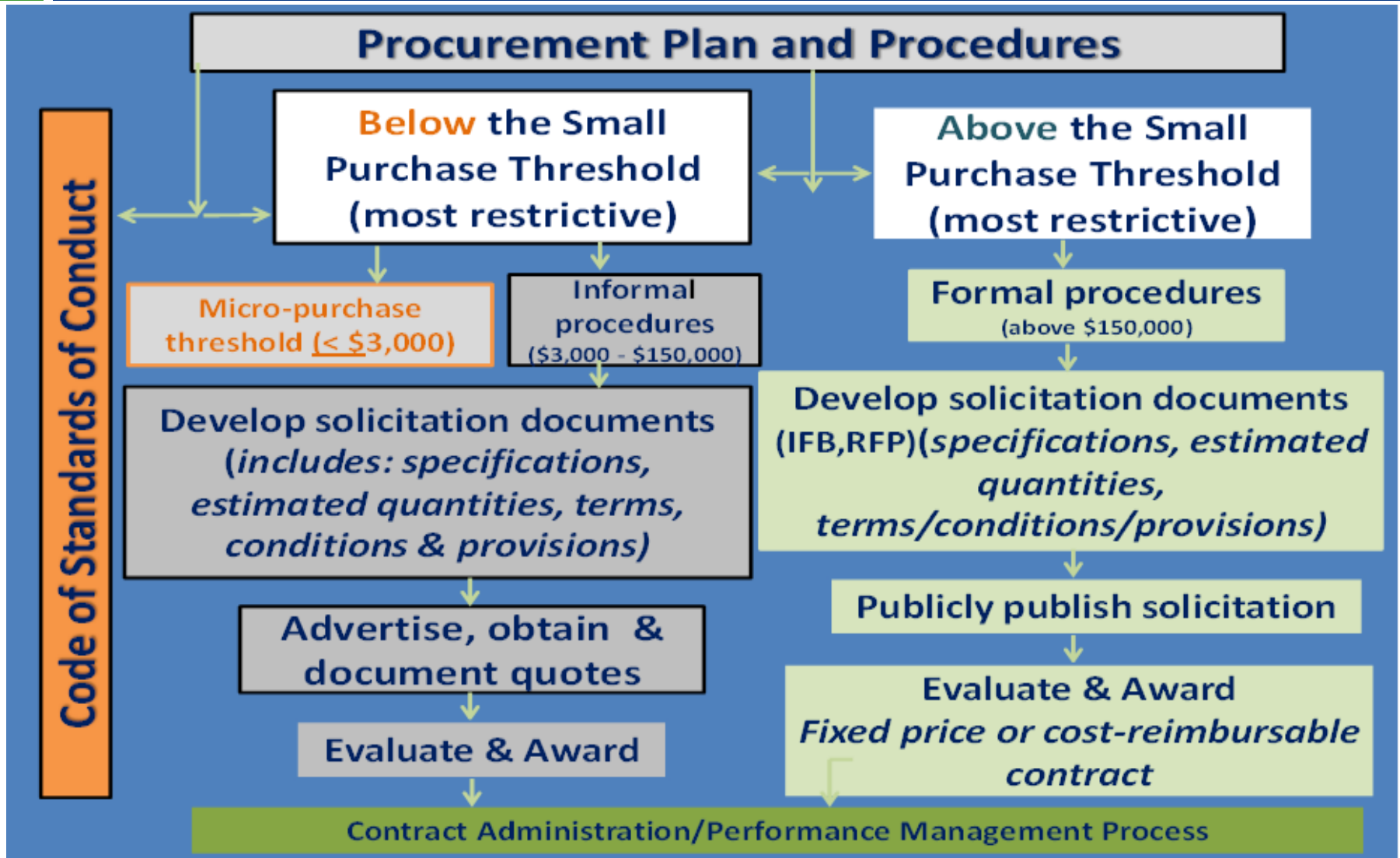
Nondiscrimination Statement

- SP 01-2016 (revised 10-22-2015)
- Must be on all food service materials
- DESE FNS will update on our forms and guidance
- If the material is too small to permit the full statement to be included, in print no smaller than text
 - “This institution is an equal opportunity provider.”
- New “And Justice For All” Posters

Many forms are now 2 pages!



Procurement



Procurement

- School year 2016-17 procurement review process being developed
- Procurement documentation
- Resources:
 - <http://dese.mo.gov/financial-admin-services/food-nutrition-services/procurement>



Smart Snack Compliance

10% Daily Value (DV) no longer qualifies a product compliant



SMART SNACKS
PRODUCT CALCULATOR



✓ **Your product is compliant!**

Your product contains 10% of the Daily Value (DV) of a nutrient of public health concern and meets all nutrient standards. PLEASE NOTE: Effective July 1, 2016 the %DV criterion is obsolete and cannot be used to qualify as a competitive food.

Brand

Serving Size

28.35 g

Product

First Ingredient

START OVER

NEXT STEP



Direct Certification Updates

- ❑ Foster added to Direct Certification List
- ❑ ZIP code List updated with columns for SNAP, TANF, and FOSTER
- ❑ Coming Soon: ZIP Code List to Mimic MOSIS

	SNAP	TANF	FOSTER	ELIGIBILITY
1.	Y			=SNAP, TANF & FOSTER
2.	Y	N		=SNAP & FOSTER
3.	Y		N	=SNAP & TANF
4.	Y	N	N	=SNAP ONLY
5.	N	Y		=TANF & FOSTER
6.	N	Y	N	=TANF ONLY
7.	N	N	Y	=FOSTER ONLY
8.	N	N	N	=NONE



Serving With Success

Quick Links

- News and Updates
- Administrative State Agency Review
- Civil Rights
- Community Eligibility Provision (CEP)
- Farm to School
- Food Allergy Information
- Meal Pattern
- Newsletters, Webinars & Workshops
- Procurement
- Professional Standards
- Reimbursement Rates
- **Serving with Success**

- Training Modules available on DESE FNS website
- Continuing Education Hours
- Topics include:
 - Meal Access and Reimbursement
 - Special Provisions
 - Nutrition Quality and Meal Pattern
 - Resource Management
 - General Program Compliance
 - Other Federal Programs
 - Administrative Review

Serving With Success

Serving with Success - Certification and Benefit Issuance

Home » Serving with Success » Meal Access and Reimbursement

Certification and Benefit Issuance

Serving with Success - Certification and Benefit Issuance

Serving
With
Success

Certification and
Benefit Issuance

Missouri
EDUCATION

USDA

- Take the Certification and Benefit Issuance Quiz and get the Certificate of Completion

- ✓ View video
- ✓ Take quiz
- ✓ Print certification
- ✓ Keep for records

Whole Grain-Rich Waiver



MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES – FOOD AND NUTRITION SERVICES
WHOLE GRAIN-RICH EXEMPTION REQUEST FORM

DIRECTIONS	
<p>Fax or email the completed form to: Food and Nutrition Services (FNS) Section at (573) 526-3897 or email to foodandnutritionservices@de.se.mo.gov Subject Line: WHOLE GRAIN-RICH EXEMPTION REQUEST FORM</p> <p>USDA memo SP 20-2015 allows Local Education Agencies (LEAs) the ability to request an exemption from the whole grain-rich requirement for school years (SY) 2014-2015 and 2015-2016.</p> <p>LEAs must request exemptions to specific products, if the LEA can demonstrate hardship(s) in procuring, preparing, or serving compliant whole grain-rich products that are acceptable to students. LEAs granted the exemption must comply with the SY 2013-2014 requirement to offer at least half of the grain items as whole grain-rich. LEAs may retain the previously approved pasta exemptions and do not need to reapply for the pasta items already approved.</p> <p>List each product and provide written justification or other documented evidence (e.g. photos, meal count records). LEAs must submit this form to request the exemption. An email will be returned to the Authorized Representative regarding approval or denial of the exemption.</p> <p>Questions regarding this form contact (573) 751-3526 or foodandnutritionservices@de.se.mo.gov.</p>	
LEA INFORMATION	
LEA AGREEMENT NUMBER	LEA NAME
Product Name:	Reasons for requesting exemptions (check all that apply and provide written justification and/or documentation)
Manufacturer:	<input type="checkbox"/> Financial hardship <input type="checkbox"/> Limited product availability <input type="checkbox"/> Unacceptable product quality <input type="checkbox"/> Poor student acceptance <input type="checkbox"/> Other
DEPARTMENT USE ONLY	Plan to achieve future compliance
Approved <input type="checkbox"/>	
Denied <input type="checkbox"/>	
Name:	<input type="checkbox"/> Financial hardship <input type="checkbox"/> Limited product availability <input type="checkbox"/> Unacceptable product quality <input type="checkbox"/> Poor student acceptance <input type="checkbox"/> Other
Manufacturer:	
DEPARTMENT USE ONLY	Plan to achieve future compliance
Approved <input type="checkbox"/>	
Denied <input type="checkbox"/>	
AUTHORIZED REPRESENTATIVE SIGNATURE	
AUTHORIZED REPRESENTATIVE TITLE	EMAIL ADDRESS OF AUTHORIZED REPRESENTATIVE

- WGR items served for breakfast and lunch
 - Doesn't apply to a la carte
- Waiver has been extended for 2016-17
- Don't need to file a new one if your current waiver has been approved

DESE FNS Website → Guidance & Resources → Forms → Whole Grain-Rich Exemption Request Form



Flexibilities and Waivers



- Flexibility Option for Effective Date of Application
 - Update “Methods of Collection and Meal Counting” form
- Eligibility Effective Date for Directly Certified Students
- Whole Grain-Rich Exemption Request Form
- Paid Lunch Equity (PLE)
- Extending Flexibility for RCCIs in the NSLP
- Professional Standards
- Confirmation Review



Dates and Deadlines

School Food Services Calendar

July

- Regular Term Application/Agreement Available in Web Application System
- Financial Report Available in Web Application System (Non-Public Schools)
- June Claim Form Due in Web Application System by the 15th (Separate Claim Form Required for Seamless Summer Option Meals Claimed in June)
- Perform and Document Monthly Edit Checks (Year Round and Seamless Summer Option/Summer School Programs)
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Aug. delivery)
- Download Direct Certification Data (First Mandatory File)
- Value of Commodities Distributed Report Available on Website
- Commodity Entitlement Letters Available on Website

August

- Distribute Free/Reduced Price Applications to Households
- Notify Direct Certification Households of Free Meal Benefit
- Provide Request for Information Form to Households for Collection of Mo Healthnet Data
- Food Safety Inspections Report Available in Web Application System
- July Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Sept. delivery)
- Check Web Application System for Availability of Financial Report (Public Schools); Review and Submit Report
- View Civil Rights Presentation and Complete Civil Rights Training Documentation, Available on Website

September

- Conduct First After School Snack Program On-Site Review (Required During First 4 Weeks of Operation)
- Update Methods of Collection and Meal Counting Form (if methods/procedures/software have changed from previous year)
- August Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Food Safety Inspection Report Due in Web Application System
- Financial Report Available in Web Application System; Review and Submit Report (Public Schools)
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Oct. delivery)

October

- Count Approved Free and Reduced Price Applications for Verification as of Oct. 1; Begin Verification Process
- Regular Term Application/Agreement Renewal Deadline
- September Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Nov. delivery)
- Download Direct Certification Data (Second Mandatory File)

November

- Check School Food Services Website for Commodity Expo Dates
- Financial Report Due in Web Application System
- October Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Dec. delivery)
- Verification Process Must be Completed by the 15th
- Mo Healthnet for Kids Data Collection Form due by the 30th (fax or mail)

December

- November Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Verification Summary Report Due in Web Application System by December 15th
- Commodity Open Order Deadline, 12:00 Noon by the 15th (Jan. delivery)

January

- Conduct Second After School Snack Program On-Site Review
- USDA Food Packet Available on Website
- December Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 noon by the 15th (Feb. delivery)
- On-Site Reviews Must Be Completed Prior to February 1
- Download Direct Certification Data (Third Mandatory File)

February

- Paid Lunch Equity Tool Available on Website
- January Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 Noon by the 15th (March delivery)
- Food Service Management Re-bid and Renewal Notices Sent to Contracted LEAs

March

- USDA Food Packet Due
- Seamless Summer Option Application Agreement Available in Web Application System
- Check Website for Summer Workshop Dates and Locations
- February Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Commodity Open Order Deadline, 12:00 Noon by the 15th (April Delivery-Last Delivery of School Year)

April

- March Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks

May

- Update End of Year Date in Application Agreement if Needed Due to Extension of School Year
- Free and Reduced Price Application and Direct Certification, School Year Booklet Available on Website
- April Claim Form Due in Web Application System by the 15th
- Perform and Document Monthly Edit Checks
- Registration for Summer Workshops Due by End of May

June

- May Claim Form Due on Web Application System by the 15th (Separate Claim Form Required for Seamless Summer Option School Meals Claimed in May)
- Perform and Document Monthly Edit Checks



How Will I Be Updated?

- ❑ USDA memos on Food and Nutrition Services website
- ❑ Notifications emailed to Authorized Representative of the NSLP
- ❑ Future trainings and webinars



Questions

<http://dese.mo.gov/financial-admin-services/food-nutrition-services>

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Phone: 573-751-1920

Email: Ellen.rees@dese.mo.gov

Phone: 573-751-6638